

Financial Management Improvement Instructions, No. 4
Job 2430

SECRET

1 of 1

CONTROL COPY
S E C R E T

10 November 1959

GHT-IT
SG *ab*
JTB
MRS *ms*
MCM
ROD *nd*

25X1A COMPTROLLER NOTICE NO. [REDACTED]

SUBJECT : General - Control of Costs From Indirect Obligations

Specific - Designation of Allotment to be Charged With Direct Costs Authorized by Requisitions for Property, Printing Services, and Books and Publications

25X1A REFERENCE : Financial Management Improvement Instruction No. [REDACTED]

1. The purpose of this Notice is to clarify for allottees the use of the cost authorization accounts which were established for recording indirect costs as outlined in reference.
2. The assignment of confidential funds indicators to the cost accounts was made solely for administrative reasons and was in no way intended to signify the use or non-use of confidential funds in the procurement of services or materiel requisitioned. The cost authorization number is to be used only to identify the cost account against which the cost of the services and/or materiel requisitioned should be recorded. It cannot be used to charge any authorized direct costs, such as transportation, which should be separately obligated by the requisitioning allottee under the appropriate vouchered funds or confidential funds allotment.
3. Therefore, allottees, in addition to identifying the proper cost authorization account on each requisition for property, printing services, or books and publications, shall indicate the proper vouchered or confidential funds allotment to be charged with any related direct costs authorized.

25X1A

[REDACTED] Deputy Comptroller

This was distributed from the Comptroller's office, we received 25 copies. Distributed 5 copies and office & sent 20 back to TAS.

S E C R E T

10 Nov 59
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CONTROL COPY

10 June 1959

*Richard
Seymour
Glasco
Ludwig
Meyer
Hidy
Rusk*

25X1A

FINANCIAL MANAGEMENT IMPROVEMENT INSTRUCTION NO. [REDACTED]

SUBJECT: General - Implementation of Financial Management Improvement Program

Specific - Controls of Costs from Indirect Obligations

1. PURPOSE

Under the Agency's Financial Management Improvement Program cost limitations will be established beginning with fiscal year 1960 for three types of costs from indirect obligations (hereinafter referred to as "indirect costs"), namely, property, printing services, and books and publications. The purpose of this Instruction is to establish policy and responsibilities with respect to the maintenance of control procedures to assure that the indirect cost limitations to be provided beginning with fiscal year 1960 for each cost center or group of cost centers are not exceeded.

2. POLICY

Separate limitations will be established by the Budget Division for each of three types of indirect costs to be incurred by each cost center (or group of cost centers, where determined appropriate). These three types of indirect costs are described briefly below:

a. Property

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- (1) The property cost limitation will control the cost of all materiel issued, both expendable and non-expendable, except that common administrative items of property issued to headquarters components will be costed against an Office of Logistics cost account.
- (2) Reissues of materiel may be made without charge to the cost limitation of any cost center when:
 - (a) The reissue is of the same materiel (i.e. line item(s)) as was turned in and to the same cost center;
 - (b) The reissue occurs in the same fiscal year in which the turn-in was made (regardless of the fiscal year in which the materiel was withdrawn from stock);
 - (c) The materiel turned in was not unserviceable or obsolete;
 - (d) The materiel is available for issue.
- (3) The property indirect cost limitation will supersede the property authorization heretofore issued by the Budget Division; accordingly, Tentative [REDACTED] 25X1A issued 11 August 1955, is hereby rescinded. In lieu of the property authorization control procedures required by that handbook, however, similar controls

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to preclude excess withdrawals of property will be required as set forth herein with respect to the property cost limitations.

b. Printing Services

Printing services limitations will control the use by Agency components of the printing services provided by the Printing Services Division, Office of Logistics. All work performed by, or orders placed for outside printing through, that Division will be costed against the printing services limitation to be established for each cost center (or group of cost centers, where determined appropriate).

c. Books and Publications

This limitation will control the cost of books and publications which each cost center (or group of cost centers, where determined appropriate) can obtain through the services of the CIA Library/ Office of Central Reference. All books and publications provided to Agency components will be costed against this indirect cost limitation based upon costing procedures in effect in that Office.

3. RESPONSIBILITIES

a. Allottees shall be responsible for:

- (1) Maintaining control over the value of requisitions placed for materiel or services chargeable to

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indirect cost limitations in order not to exceed the cost limitations received.

- (2) Requesting the Budget Division, Office of the Comptroller, for any adjustments to approved cost limitations.
- (3) Reviewing, evaluating and taking appropriate action based upon reports of indirect costs.
- (4) Certify through the use of a rubber stamp on each requisition for property, printing services and books and publications, before release to the Office of Logistics or the CIA Library/Office of Central Reference as applicable, that unused indirect cost limitation is available to cover the requisition. Each allottee shall obtain sufficient rubber stamps for his activity for this purpose in the format prescribed below:

"I certify that cost limitation is available.

Requisition No. _____

Charge Cost Center No. _____

Authorizing Officer"

NOTE: The identification of charges set forth above by "Cost Center No." will permit the charge to cost of the proper cost center and, the accumulation of all charges to cost centers within an office or other grouping of cost centers for comparison

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with the limitation.

- b. Office of Comptroller shall issue approved cost limitations and establish cost accounting and reporting procedures as required by this Instruction, including procedures for recording indirect costs reported by the Office of Logistics and the CIA Library/Office of Central Reference.
 - c. Office of Logistics shall prepare and implement, in collaboration with the Office of the Comptroller, internal procedures as required by this Instruction.
 - d. The CIA Library/Office of Central Reference shall provide financial data for use by the Office of the Comptroller in compiling cost information to be redistributed to using components, and furnish allottees, as stated in paragraph 4b with monthly lists of costs (issues) of books and publications.
4. PROCEDURES
- a. A suggested procedure for maintaining control over indirect cost limitations is set forth in Attachment A.
 - b. With respect to books and publications it may not be practical in many offices to maintain a formal control record over the requisitions (Form 1395) submitted to the CIA Library/Office of Central Reference. In the event that no formal record or listing is maintained of the requisitions for books and publications, it is suggested

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that a file of the copies of unfilled requisitions be maintained, and as the issues are received, which are accompanied by a delivery copy of the requisition, the requisition be withdrawn from the "unfilled" file and established in a separate file of "filled" requisitions. In connection with subscription renewals, for which requisition forms are not required by OCR, memoranda could be used in the requisition files to cover such items. Monthly, allottees will be provided by the CIA Library/Office of Central Reference with a report covering the cost centers under their jurisdiction, which will reflect for books and publications (1) the cost limitations, (2) the costs incurred (issues in detail), (3) the unfilled requisitions, and (4) the balances of the cost limitations. It is believed that the data as shown on this report, together with the file of "unfilled" requisitions, should furnish adequate control over the cost limitations for books and publications.



25X1A

H. GATES LLOYD
Acting Deputy Director
(Support)

ATTACHMENT:

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Suggested Procedure for Maintaining
Control Over Costs from Indirect Obligations

1. GENERAL

To maintain control over limitations issued for costs from indirect obligations a separate Cost Limitation Control Record (Form No. 1642, copy attached) may be maintained by the allottee for each cost center or group of cost centers for which an advice of cost limitation is received from the Budget Division, Office of the Comptroller. By maintaining a record of this type the allottee will know the status of each cost limitation and be assured that, insofar as possible, costs arising from requisitions will not exceed the amount of the cost limitation received.

2. PROCEDURE

a. The allottee will:

- (1) Record the amounts of cost limitation received, as shown on advices of cost limitations, in the "Limitation Received" column of the control record. The amount of the limitation will also be extended to the "Unused Limitation" column.
- (2) Requisitions for property shall be priced by the Logistics Officer of the requisitioning component; the estimated cost of requisitions for printing services shall be determined based upon a schedule of estimated costs to be provided to each allottee

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ATTACHMENT A

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by the Printing Services Division, Office of Logistics; and requisitions for books and publications will be priced for recording on this record based on the best estimates possible by the allottee or obtained from the CIA Library/Office of Central Reference. The priced requisitions shall be forwarded to the individual maintaining the Cost Limitation Control Record for recording in the "Requisitions Issued" column (for books and publications the "Description" column should include a specific identification of the book or publication requisition for later use in identifying filled requisitions). All entries and adjustments in the "Requisitions Issued" column will be reflected in the "Unused Limitations" column. The individual designated to maintain the control records will certify on all copies of the requisitions that cost limitation is available. A rubber stamp shall be used for the certification which shall read as follows:

"I certify that Cost Limitation is available.

Requisition No. _____

Charge Cost Center No. _____

Authorizing Officer"

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- (3) Entries shall be made in the "Deliveries Against Requisitions" column as follows:
- (a) For property issues based upon detailed monthly listings to be provided by the Office of the Comptroller showing the cost of property issues;
 - (b) For printing services based upon documents to be provided by the Printing Services Division showing the cost of each job; and
 - (c) For books and publications based upon a monthly report to be provided by the CIA Library/Office of Central Reference which will reflect the cost of each requisition filled.

When entries in the "Deliveries Against Requisitions" column differ for individual requisitions from the amounts previously recorded in the "Requisitions Issued" column, for the related requisitions adjustments for the differences should be recorded on the next available line of the control record in the "Requisitions Issued" column, with the increase in cost subtracted from, or the decrease in cost added to, the available balance of the "Unused Limitations" column.

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Approved For Release 2001/03/30 : CIA-RDP81-00728R000100150027-9

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(When and In)

[illegible]

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Approved For Release 2001/03/30 : CIA-RDP81-00728R000100150027-9

[illegible]

Approved For Release 2001/03/30 : CIA-RDP81-00728R000100150027-9

DATE 19		REFERENCE	DESCRIPTION	LIMITATION RECEIVED	REQUISITIONS ISSUED	DELIVERIES AGAINST REQUISITIONS	UNUSED LIMITATIONS
<p>SECRET (When Filled In)</p> <p>COST LIMITATION CONTROL RECORD</p> <p>TYPE OF LIMITATION</p> <p>COMPONENT</p> <p>OFFICE</p> <p>PROJECT OR PROGRAM</p> <p>COST CENTER NO.</p> <p>PAGE NO.</p> <p>FISCAL YEAR</p>							
<p>Upc copy of Form 1642 sent in by Dept. Bg 826-267</p>							

Form No. 1642,

SECRET

COST AUTHORITY AVAILABLE

REC. NO. _____

COST CHARGE _____

AUTH. BY _____

The above certification is to be typed in the space provided on the revised Form 38.

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7 JUN 1970

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Proposed Financial Management Improvement
Instructions:

- ✓ (1) Control of Costs From Indirect Obligations; [REDACTED] 25X1A
- (2) Discontinuation of the Single Confidential Funds Allotment for Transportation of Things [REDACTED] 25X1A
- (3) Decentralized Allotment Control Procedure - Vouchered Funds; and [REDACTED] 25X1A
- ✓ (4) Standardized Requisition Number [REDACTED] 25X1A

1. This office concurs in the subject documents. Our concurrence is given with reservations however for the following reasons:

a. Due to the belated submission of the drafts, and the necessity of proceeding promptly if the procedures are to be adopted in a timely manner, there has not been sufficient time to review them adequately or to determine the extent of the additional workload which they will impose.

b. In our opinion, revision or rescission of regulatory assurances should be accomplished in the established way; otherwise a confusing situation will develop.

[REDACTED] 25X1A
Chief, Operational Services
DDP

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ROUTING AND RECORD SHEET

000-4271

SUBJECT: (Optional)

FROM: TAS/Comptroller
1705 Alcott Hall Ext. 8786

NO.

DD/S 59-2828

DATE

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Deputy Comptroller
1039 Alcott Hall

2. SSA-DD/S
2129 I Bldg.

3. DD/S

4.

5.

6.

7.

8.

9.

10. TAS/Comptroller
1705 Alcott Hall

11.

12.

13.

14.

15.

SIGNATURE

1. to 2.

Attached is a copy of Financial Management Improvement Instruction No. [REDACTED]; Subject: Controls of Costs from Indirect Obligations. In order to expedite concurrence of this Instruction, copies have been provided to the SSA-DD/S for the DD/P, the DD/I, and to offices within the DD/S. Your concurrence is requested on the attached "concurrence" sheet by 29 May 1959 in order that this Instruction may be printed and distributed by 15 June 1959.

25X1A

FORM 1 DEC 56

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USE PREVIOUS EDITIONS

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CONFIDENTIAL

☐

INTERNAL USE ONLY

☐

UNCLASSIFIED

U. S. GOVERNMENT PRINTING OFFICE: 1958 O - 476731

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DD/S 54-2828

22 MAY 1959.

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Financial Management Improvement Instruction
No. [REDACTED] Controls of Costs from Indirect
Obligations (with Attachment A).

1. This memorandum contains a request for action in paragraph 4 below.

2. The Agency's Financial Management Improvement Program will establish, effective for the fiscal year beginning 1 July 1959, limitations on three types of costs from indirect obligations, namely, property, printing services, and books and publications. The subject sets forth policy and responsibilities with respect to the maintenance of control procedures to assure that the indirect cost limitations to be provided beginning with fiscal year 1960 for each cost center or group of cost centers are not exceeded. Subject will rescind Tentative Handbook [REDACTED] - Property Authorization Control Procedure.

25X1A

3. In accordance with verbal instructions, subject is submitted to your Office for signature and issuance.

25X1A

4. It is requested subject be approved for publication and given AB distribution to Agency components in sufficient time to place the issuance in the hands of personnel concerned not later than 15 June 1959.

25X1A

[REDACTED]
Deputy Comptroller

ATTACHMENT:

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25X1A

Financial Management Improvement Instruction No. [REDACTED]

Subject: Controls of Costs from Indirect Obligations

CONCUR:

For the Deputy Director (Plans)

SSA-DD/S

Date

For the Deputy Director (Intelligence)

25X1A

[REDACTED]

Assistant to the DD/I (Admin)

Date

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Financial Management Improvement Instruction No.

Subject: Controls of Costs from Indirect Obligations

CONCUR:

Director of Logistics

Date

Director of Training

Date

Chief, Medical Staff

Date

Director of Personnel

Date

25X1A



for Director of Security

Date

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SECRET

Financial Management Improvement Instruction No.

Subject: Controls of Costs from Indirect Obligations

CONCUR:



for Director of Training

Date

~~2 JUN 59~~

Date

Chief, Medical Staff

Date

Director of Personnel

Date

Director of Communications

Date

Director of Security

Date

SECRET

SECRET

22 MAY 1959

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Financial Management Improvement Instruction
No. [REDACTED] Controls of Costs from Indirect
Obligations (with Attachment A).

25X1A

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25X1A

[REDACTED]
Deputy Comptroller

Distribution:

- Orig. & 4 - Addressee
- 1 - Signer
- 1 - SSA-DD/S
- 1 - Asst. to DD/I (Admin)
- 1 - TAS Subject
- 1 - TAS Reading
- 1 - TAS Chrono

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Financial Management Improvement Instruction No.

Subject: Controls of Costs from Indirect Obligations

CONCUR:

For the Deputy Director (Plans)

SSA-DD/S

Date

For the Deputy Director (Intelligence)

Assistant to the DD/I (Admin)

Date

For the Director of Personnel
25X1A [REDACTED] *Sign here off.*

22 May 1957

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Financial Management Improvement Instruction No.

Subject: Controls of Costs from Indirect Obligations

CONCUR:


Director of Logistics

Date

Director of Training

Date

25X1A


Chief, Medical Staff

4 June 59
Date

Director of Personnel

Date

Director of Communications

Date

Director of Security

Date

SECRET

Financial Management Improvement Instruction No.

Subject: Controls of Costs from Indirect Obligations

CONCUR:

For the Deputy Director (Plans)

SSA-DD/S

Date

For the Deputy Director (Intelligence)

Assistant to the DD/I (Admin)

5/20/69

Date

25X1A

SECRET